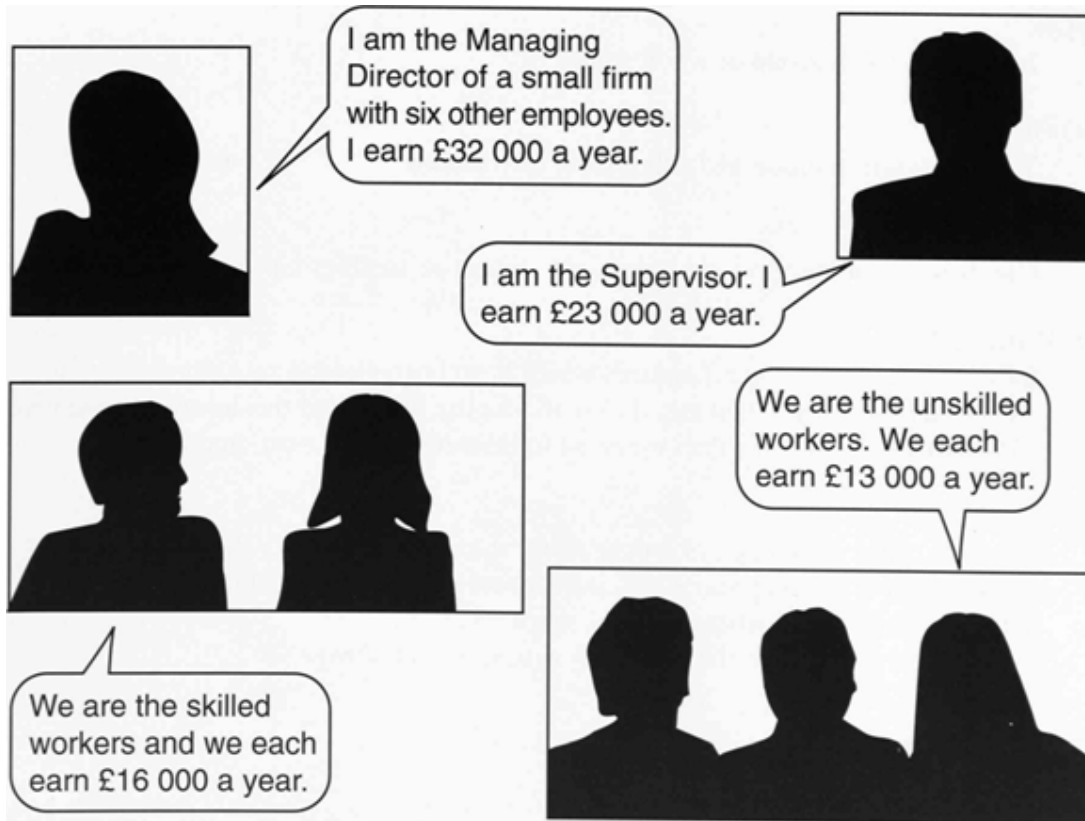


Wage Bargaining



The Managing Director and the union are negotiating a pay rise. There is only enough money available to fund a 10% increase in the total salary bill.

The Supervisor suggests that all employees get a 10% increase in their salaries.

The Union Representative, representing all the skilled and unskilled workers, suggests the money should be shared out equally between all seven employees. How much would each employee get if their salaries were increased by 10%?

- 2) How much would each employee get if the money available was shared equally amongst all of them?
- 3) Which of the above methods of calculating the pay rise would you favour if you were:
 - (a) the Managing Director?
 - (b) a skilled worker?
- 4) Which method do you think most people favoured?